IBI Group
156 Front Street West
6th Floor
Toronto, Canada
M5J 2L6
Cable Address IBIGRP
(416) 596-1930

January 28, 1983

Mr. H. O. Schweinbenz
Public Transit Manager
Hamilton Street Railway Company
18 Wentworth Street North
Hamilton, Ontario
L8L 5V1

URBAN DOCUMENTATION CENTRE
RESEARCH UNIT FOR URBAN STUDIES
McMASTER UNIVERSITY
HAMILTON, ONTARIO

Dear Mr. Schweinbenz:

1983 Five Year Strategic Plan

In accordance with our agreement, we are pleased to submit a Five Year Strategic Plan for urban and rural transit services within the Hamilton-Wentworth Region covering the period 1983-1987.

The Strategic Plan is the first step in the review of the management, operations and physical plant of the Hamilton Street Railway Company and Canada Coach Lines Limited. The review process, which is outlined in Exhibit A, began in October, 1982 with the creation of a Technical Committee of senior transit management and a Liaison Committee of senior regional and municipal staff. Since that date, the consultants have identified and evaluated the various strategic issues which are affecting public transit services within the Region, have prepared Position Papers on these issues for review, and with the assistance of the Committees have developed the attached Strategic Plan for the consideration of Council.

The Strategic Plan formulates corporate policies and strategies for the Transit Department as a guide to the management, planning, and operation of the Department over the next five years. These policies and strategies will provide the necessary framework for developing specific improvement plans for the transit systems. These improvement plans will include a Management Plan for the Transit Department, a Service Plan for the transit routes, an Operations Plan for the operating functions within the HSR and CCL, and a Physical Plan for the capital assets; full details of these plans are given in the Study Design for the project. The improvement plans will be developed in 1983 upon adoption of the Strategic Plan.

The attached document is structured in five chapters. The first chapter addresses the roles and objectives of regional transit services, the second chapter addresses the corporate policies for the Transit Department, the

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third chapter addresses performance targets for the transit services, the fourth chapter addresses the corporate strategies which management proposes to apply in order to achieve the policies and performance targets, and the fifth chapter addresses the budget implications of the corporate policies and strategies.

In consideration that the corporate policies and strategies will have a major influence on the improvement plans which are developed for the transit services, we would suggest that the attached Strategic Plan be submitted to Council for their consideration. Accordingly, we make the following recommendations:

1. That the corporate policies as set out in Chapter 2 be approved; the financial implications of these policies are given in Exhibit 2, page 13.

2. That the performance targets and corporate strategies, as set out in Sections 3 and 4, be adopted in principle as a guide to the preparation of improvement plans for the regional transit systems.

3. That transit staff be directed to update the Strategic Plan following the development of the improvement plans for the transit systems, and to review and refine the Strategic Plan on an annual basis thereafter in accordance with the Region's changing socio-economic environment.

We wish to acknowledge the excellent cooperation of your staff in the supply of information for this document, and the strong participation of your management in the development of the recommended corporate policies and strategies.

Yours truly

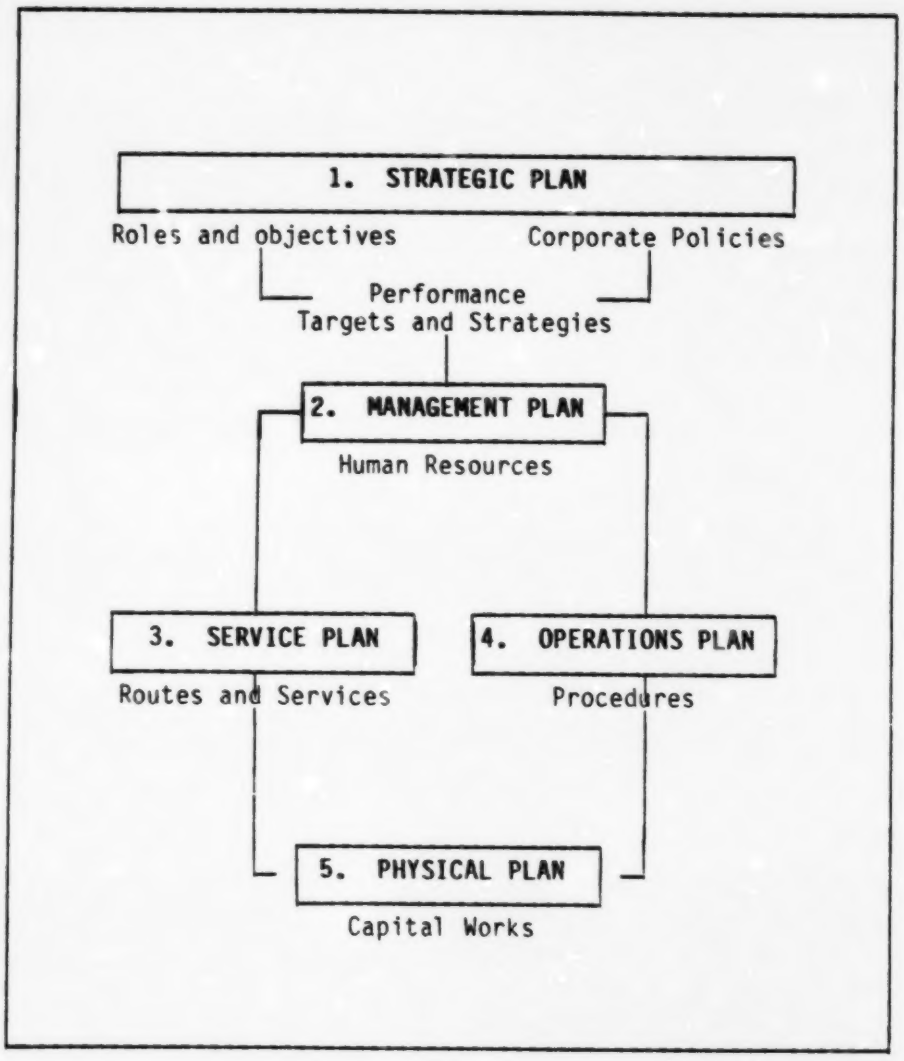
IBI GROUP

F. D. Catton
Director

FDC/jt
Encl.

EXHIBIT A

REGIONAL TRANSIT REVIEW PROCESS



	Due Date
1. STRATEGIC PLAN	January 1983
2. MANAGEMENT PLAN	June 1983
3. SERVICE PLAN; 4. OPERATIONS PLAN	September 1983
5. PHYSICAL PLAN	December 1983

Principal Investigators: IBI Group with Sub-Consultants PeterBarnard Assoc., M.M. Ross

Technical Committee: Senior Management of Transit Department, representatives from Ontario MTC

Liaison Committee: Senior representatives from Engineering and Planning [illegible]ts., Hamilton Traffic Dept., and Stoney Cr[illegible] Engineering Dept.

HAMILTON-WENTWORTH REGIONAL TRANSIT SYSTEM

1983
FIVE YEAR STRATEGIC PLAN

January, 1983

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INTRODUCTION

For some 50 years, the Hamilton Street Railway Company and Canada Coach Lines Limited have been important and respected providers of public transit services within the Hamilton-Wentworth Region and its neighbouring municipalities in Southwestern Ontario. Since 1977 Regional Council has taken a number of steps to strengthen this importance by acquiring the assets of the two companies, adopting an Official Plan with major emphasis on public transit, creating a Transit Department to administer the public transit services, and constructing a new transit centre on the Mountain. Over this period, service levels and ridership have remained relatively static, and the ridership and revenues on the transit services have not been sufficient to either arrest the slow decline in financial performance which has been occurring, or realize the intent of the Official Plan and its transit policies.

This disappointing performance can be attributed, primarily, to a lack of specific service and financial policies for the improvement of transit services throughout the Region. In 1982, Council directed the Transit Department to undertake an in-depth review of the management, operations and physical plant of the two companies, and to prepare specific plans of action for improvement. The first phase of this review is the development of a Five Year Strategic Plan, which is the first step in the improvement process.

The purpose of the Strategic Plan is to determine roles of public transit in the Region and to formulate corporate policies and strategies for the realization of these roles by 1987. When adopted by Council, the Plan will provide a guide for the planning and operation of regional public transit services over the next five years. The Plan, which will be updated annually to reflect changing socio-economic conditions, provides a basis for strategic decision-making at the corporate level particularly decisions related to the development of effective and efficient regional public transit services which are within the financial capability of each Area Municipality.

The following Strategic Plan was developed with the assistance of a Technical Committee of senior transit management, and was based on three months of investigation by the consulting team of IBI Group and its sub-consultants Peter Barnard Associates and M. M. Ross and Associates. The investigations resulted in several technical position papers which were used as background to the development of the Plan, and are available under separate cover as a Technical Appendix.

IBI GROUP
January 28, 1983

1 - REGIONAL TRANSIT ROLES AND OBJECTIVES

In 1981, Regional Council established the Transit Department as the organization through which public transit services will be provided to the area municipalities within the Hamilton-Wentworth Region. The Transit Department administers the resources and services of the Hamilton Street Railway Company (HSR) and Canada Coach Lines Limited (CCL) which were acquired by the Region in 1977. Generally, the HSR supplies transit services within the urban portions of the Region, and CCL supplies transit services between the Region and points in Southwestern Ontario and Buffalo.

Under the RMHW Act and its subsequent by-laws, the Region has the exclusive authority to finance, operate and control public transit services within a designated Urban Transit Area (UTA). In this area, the Region sets the level of public transit service and allocates net deficits to the UTA municipalities on the basis of equalized assessment; the HSR, is the sole provider of public transit services within the UTA. While the Region has not adopted policies for the financing and operation of public transit services outside of the UTA, by virtue of the fact that CCL is a regionally owned company, it is also involved in setting the level of CCL service and allocates the net deficits of these services to all area municipalities on the basis of equalized assessment; these services require the approval of the Ontario Highway Transport Board and/or other licensing authorities depending on the service.

At present, the boundaries of the UTA coincide with the boundaries of the City of Hamilton and, consequently, the area municipalities outside of the City of Hamilton must contract with the HSR or CCL and finance their own urban transit services; currently, Ancaster, Dundas, Stoney Creek and Flamborough do this. This current practice is not consistent with the Official Plan objectives because the Region does not set the levels of urban transit service outside of the City of Hamilton, and consequently Regional Council are unable to realize the transit policies of the Official Plan.

1.1. ROLE OF REGIONAL PUBLIC TRANSIT

The resolution of inconsistencies between the Official Plan and current practice requires an understanding of the regional travel market and agreement on the role of public transit in serving this market.

Generally, public transit serves two basic interests; the interests of users who rely on the service for their day-to-day travel needs, and the interests of non-users who rely on the service for the attainment of various socio-economic strategies. The user group comprises an estimated 50,000 regional residents who use HSR/CCL services on a regular basis within the Region, 1,000 non-regional residents who use CCL services on a regular basis to travel to/from the Region, and 500 non-regional residents who use CCL on a regular basis entirely outside the Region. In this group, there are some 30,000 regional residents who have no other choice of mode and therefore can be considered transit-dependent.

The non-user group comprises an estimated 360,000 regional residents together with the local businesses who support the public transit service through the tax structure.

Accordingly, two overall strategic roles for the regional public transit system are suggested:

1.1.1 To establish public transit services which will enable each municipality within the Region to meet, as a minimum, the transportation needs of those residents who have no other choice of transportation mode.

1.1.2 To establish public transit services which will enable the Region to serve the broader interests of the non-users who support municipal services through the tax structure; including the Provincial Government, the Regional Government and its area municipalities, and the local residents and businesses.

This latter role is defined in the Official Plan which is addressed in the following section.

1.2. REGIONAL PUBLIC TRANSIT OBJECTIVES

The aforementioned roles together with the transit policies of the Official Plan will be the primary points of reference for all future changes to the public transit systems within the Region over the next five years. Thus, the objectives for the regional public transit services will be to realize the Official Plan transit policies; these policies are listed below and the Official Plan reference number is shown in brackets:

1.2.1 To provide public transit at a level of service adequate to encourage its use within and between the urbanized portions of the area municipalities. (9.3.1)

1.2.2 To review the boundaries of the Urban Transit Area from time to time, or at the request of any of the area municipalities, and in conjunction with all the area municipalities affected, with the objective of eventually including within the Urban Transit Area all portions of the Region developed at urban densities. (9.3.2)

1.2.3 That the urban transit system in the Region be planned and operated in such a manner that:

(a) Downtown Hamilton be the primary focal point of transit service and the level of service into the downtown area will be such that it will provide a degree of accessibility that is consistent with the downtown's role as a Regional Centre and will reduce the need for the operation of private automobiles into the downtown area;

(b) The sub-regional centre on the Hamilton Mountain be a focal point for transit service above the escarpment in Hamilton and Stoney Creek, with a major high speed transit connection between this centre and downtown Hamilton;

(c) The eastern sub-regional centre in the Region be a focal point for transit service to east Hamilton and that part of Stoney Creek below the escarpment. Direct transit connections between this centre and downtown Hamilton will be encouraged; and

(d) The municipal centre of each of the area municipalities or a centre designated by the area municipality, act as a focal point for local transit service within the area municipality. (9.3.3)

1.2.4 To encourage commuter transit connections between downtown Hamilton and municipalities adjacent to the Region in order to make retail facilities, service facilities and job opportunities in Hamilton-Wentworth accessible to the residents of those municipalities. The financial involvement of the Region in the operation of these transit connections shall be limited and Provincial financial involvement will be encouraged. (9.3.4)

1.2.5 To improve the transit service in the urbanized area, where it is feasible, in order to provide a viable alternative to the automobile for the movement of people, and to reduce, where possible, the need for new road construction. (9.3.5)

1.2.6 To consider preferential and/or exclusive bus lanes and other transit oriented improvements on arterial roads where demand warrants and their application is feasible. (9.3.6)

1.2.7 That the planning of transit routes and intermediate capacity transit lines take into account the location of:

(a) Major employment and retail concentrations, universities and schools;

(b) Concentrations of high density residential developments;

(c) Terminals of inter-city transportation systems;

(d) Major medical and social service centres;

(e) Housing developments for the elderly, the handicapped and the socially disadvantaged; and

(f) Social amenities such as parks, theatres, museums, etc. (9.3.7)

1.2.8 That a transit system with increased transit capacity receive a high priority in transportation planning in the urban areas of the Region, especially in the corridor connecting downtown Hamilton to the sub-regional centre on the Hamilton Mountain. (9.3.8)

1.2.9 To develop public parking facilities in cooperation with the area municipalities where they are deemed necessary to support the operation of the urban transit system and encourage the area municipalities to adopt public parking policies that promote the use of transit. (9.3.9)

1.2.10 To consider public transit as an integral part in the planning of major new residential development and all new commercial and employment centres in the urbanized portion of the Region. Accordingly, the area municipalities shall provide policy guidance through their Official Plans and, where deemed appropriate, secondary plans for such areas shall include provisions for safe, convenient and direct pedestrian access to the public transit system. (9.3.10)

1.2.11 To encourage the area municipalities to allow for the concentration of high density residential development in the immediate proximity of major transit corridors and transfer points in the transit system, in order that the transit system is immediately available for the use of as many persons as possible. (9.3.11)

1.2.12 That the Regional transit system incorporate, where feasible, special vehicle features and operational procedures that will make the transit system more accessible to elderly and handicapped persons. (9.3.12)

1.2.13 To encourage the provision of a special transit service to meet the needs of those elderly and handicapped persons within the Region who are unable to use the regular public transit system.

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Regional support will be based on the recognition that this transit service should provide, where feasible, access for this segment of society, in an efficient manner, to medical and educational institutions, and places of employment as well as to personal shopping, social and recreational functions. (9.3.13)

1.2.14 To encourage the Provincial Government, through the Ministry of Transportation and Communications, to initiate and coordinate with the Regional Municipalities of Halton and Hamilton-Wentworth, the expansion of inter-regional commuter transit between the City of Hamilton and the City of Burlington, in order to serve the commuter travellers into the City of Hamilton from the City of Burlington and points further east. (9.3.14)

1.2.15 To consider the use of existing rail lines and railway rights-of-way when planning for inter-regional transit connections between points in Hamilton-Wentworth and surrounding areas. (9.3.15)

2 - CORPORATE POLICIES

The attainment of the desired roles and objectives for public transit services within the Region is dependent on the adoption of corporate policies which can resolve two fundamental questions; who determines the level of transit service and who pays for this service?

Presently, the Region determines the level of all public transit services within Hamilton (because only Hamilton is within the UTA), and recommends the level of inter-urban transit services outside of the UTA for approval by the Ontario Highway Transport Board. The area municipalities outside of Hamilton determine the level of the urban transit service within their particular boundaries and each municipality pays for the net deficits of the urban transit services within its boundary and shares in the net deficits of the inter-urban transit services.

This current practice acts against the effective co-ordination of public transport sources throughout the region and is inconsistent with the aforementioned Regional public transit roles and objectives.

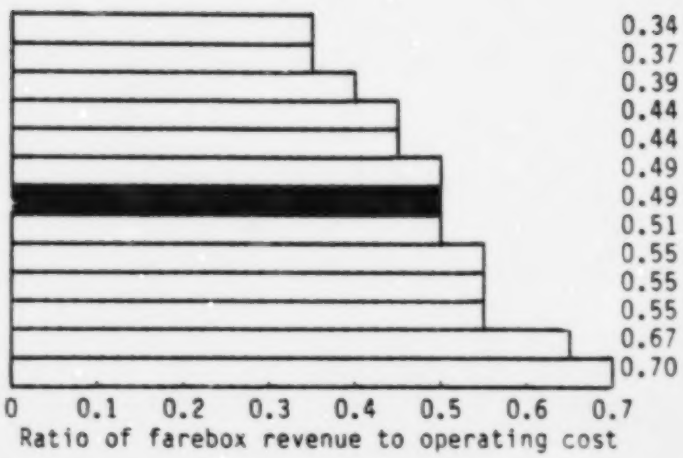
To develop a public transit system which is truly "regional", the UTA would need to be expanded to bring all public transit services of interest under the direct control of Council. However, unless the current financial performance of the HSR and CCL services are improved or the formula for cost sharing is changed, such expansion could cause a substantial increase in the net deficits which are now assumed by the area municipalities outside of Hamilton.

In order to lessen the financial burden of such an expansion, changes to current regional financial and service policies will be required.

EXHIBIT 1

FINANCIAL PERFORMANCE OF COMPARABLE CANADIAN URBAN TRANSIT PROPERTIES IN 1981

CITY	POPULATION
Edmonton	563,000
Quebec	460,000
Vancouver	1,075,000
Montreal	1,973,000
Victoria	230,000
Winnipeg	578,000
HAMILTON	414,000
Halifax	278,000
Calgary	561,000
Ottawa	493,000
Mississauga	305,000
London	266,000
Toronto	2,137,000



SOURCE: CUTA Transit Statistics 1981

2.1. FINANCIAL POLICIES

The current financial performance of the HSR and CCL, as measured by revenue-cost ratio, is below industry standards for the types of services provided by the two companies. As shown in Exhibit 1, the financial performance of 0.49 for the HSR is below most other comparable urban transit properties, particularly in Ontario where comparable properties equal or exceed a financial performance of 0.55. Similarly, the financial performance of CCL, which is 0.80, is below most other comparable inter-urban transit properties as most of these properties are privately-owned and consequently operate at a profit.

A concern has been expressed that the public ownership of the HSR and CCL is a contributing factor to their poor financial performance. While there may be some financial benefit in privatizing certain transit functions, generally transit financial performance is more related to the corporate policies of Council than to whether or not transit services are publicly or privately managed and operated. In other words, inconsistencies in the corporate policies will cause inefficiencies in the transit services regardless of the method of management and operation. Thus, it has been concluded that the main contributing factors to the poor financial performance of the HSR and CCL are the present corporate policies of the Region, particularly the Region's financial policies related to the pricing of the transit services (which affect passenger revenues) and the service-setting/deficit-sharing mechanisms (which affects both revenues and costs).

The present pricing policy for urban transit services consists of a relatively complicated fare structure of cash, passes and tickets for various interest groups, with fare rates for passes and tickets discounted up to 50% of the adult cash fare depending on the market category being served. While it can be argued that discounted fares are needed for the low income transit-dependent market, generally it has been found that discounted fares offer only minimal potential for attracting the non transit-dependent market as this market is more sensitive to the level and quality

of service than to its price. In view of the aforementioned roles and objectives for regional public transit services and in consideration of the economic constraints being imposed on all levels of government, it is evident that there will need to be a more coherent cost-based pricing policy which recognizes the value of the product and the increasing costs of making this product attractive, dependable, safe and timely for all market segments.

The present service-setting/deficit-sharing mechanisms do not fully recognize the broader interest of the Region nor do they fully recognize the relationship of service levels to changing market demands, operating efficiency, operating costs and deficit burden on local taxpayers. In the absence of improved policies in this regard, service levels have tended to become relatively static, and in some cases, inappropriate, considering the socio-economic changes which have been taking place throughout the region over the past several years. Thus, ridership losses have been occurring in some instances, and deficit increases have been occurring in other instances, which act against the realization of the aforementioned regional public transit roles and objectives. In consideration of the economic constraints being imposed on all levels of government, it is evident that there is a need for a performance-based service setting/deficit sharing policy which can encourage operating efficiencies and provide the basis for better informed service decisions by Council and staff.

A performance-based subsidy formula is currently applied by the Ontario Ministry of Transportation and Communications (MTC) when it calculates the proportion of the municipal transit deficit which will be subsidized. The formula is applied to public transit services within a designated urban transit service area (UTSA) which is basically the urban portion of the Region, and is based on the revenue-cost performance of the transit system. The subsidy depends on the extent to which revenues equal 65% of eligible operating costs; when revenues reach this target the Province will assume an equal share of the transit operating deficits, and when revenues are less than this target, the Province will assume a smaller

share of the transit operating deficits depending on the revenue-cost performance. The Provincial formula is such that the Region begins to maximize the provincial share of transit operating deficits when revenues reach 56% of eligible operating costs; at present, revenues on the urban transit services are about 49% of eligible operating costs which means that the Region is not taking full advantage of the Provincial funding formula within the UTSA. The formula does not apply to public transit services outside the UTSA and thus, in theory, the portion of the CCL services operating outside of the UTSA do not receive a subsidy; in practice, the Province provides subsidies for the cross-boundary services of CCL to the east and for the portions of CCL services within the region, subject to the availability of funds.

The Transit Department is desirous of maximizing the provincial share of the public transit operating deficit, and of improving the pricing and deficit-sharing arrangements of all transit services. Accordingly, the following financial policies are recommended:

Revenue Performance Policies - Urban Transit Services

In order to maximize the provincial share of urban transit operating deficits, the following revenue performance policies are recommended for the urban portion of the region:

2.1.1 Urban transit system revenues shall be at least 56% of system operating costs exclusive of capital costs, this revenue performance policy will apply until 1984;

2.1.2 The revenue performance of the urban transit system will be progressively increased such that revenues reach 60% of operating costs during this five year period, and 65% of operating costs during the next five year period.

Revenue Performance Policies - Rural Transit Services

In order to provide a basic transit service within the rural portions of the region, the following revenue performance policies are recommended:

2.1.3 Revenue performance policies for rural transit services shall be similar to policies 2.1.1 and 2.1.2 for urban transit services.

2.1.4 When rural transit services cannot be justified on the basis of the above policy, the inter-regional regular routes of CCL will serve rural residents provided that total inter-regional regular route revenues are at least 75% of operating costs excluding capital costs.

Revenue Performance Policies - Regional Charter Services

Insofar as charter services are a convenience offered regional users, the following revenue performance policies are recommended:

2.1.5 Charter revenues shall be equal to the allocated capital and operating costs of those services chartered by regional residents, businesses and agencies; revenues in this case include HSR/CCL user changes and MTC capital and operating subsidies attributed to chartered services; operating costs include any special premiums and allowances which must be paid the operators of the chartered services.

Revenue Performance Policies - Inter-Regional and Non-Regional Services

In order to eliminate the financial burden on regional taxpayers of the inter-regional and non-regional services of HSR and CCL, the following revenue performance policies are recommended:

2.1.6 Inter-Regional regular route transit revenues, outside regional boundaries on the HSR and CCL system, shall be at least 100% of the portion of HSR/CCL operating costs attributed to the service provided across regional boundaries; known as "cross-boundary" services, revenues in this case will be such that a revenue performance of at least 75% on the total routes can be realized (according to policy 2.1.4) and will include HSR/CCL user charges and MTC operating subsidies attributed to the cross-boundary services.

2.1.7 Non-Regional transit revenues, on the CCL system, shall be at least 100% of that portion of CCL capital and operating costs attributed to the services provided entirely outside regional boundaries including charters, sightseeing and tours. In order to realize this policy, Council will need to protect its HSR and CCL charter rights.

Urban Transit Pricing Policies

In order to arrive at more equitable fare structure and rates, the following pricing policies are recommended:

2.1.8 The fare structure and rates will recognize the quality and cost of the transit services while not penalizing the transit-dependent users.

2.1.9 For those special interest groups receiving a ticket or pass paid for by a school, social service agency, or municipality, such tickets or passes will be bought by the agency at the equivalent adult cash rate.

2.1.10 Premium fares will be applied to express services when the unit operating cost of these services exceeds the average unit operating cost of the urban transit system.

2.1.11 Tickets and passes will be provided for the convenience of users and will be provided at a price which is commensurate with their usage and with the above revenue performance policies.

2.1.12 The rates of fare for all user categories will be adjusted annually according to the Region's service setting and cost sharing policies and the above revenue performance policies.

CCL Pricing Policies

The above revenue performance policies for charter, inter-regional and non-regional services are designed to generate profits to partially offset rural transit deficits. In order to accomplish this objective, the following CCL pricing policies are recommended:

2.1.13 The pricing policy for CCL services, within the region will be similar to urban transit pricing policies; refer to policies 2.1.9 through 2.1.12.

2.1.14 The pricing policy for CCL services, outside the region, will be such that the revenue performance policies for inter-regional and non-regional services can be achieved; refer to policies 2.1.6 and 2.1.7. In the event that CCL loses its rights to operate regular routes outside the region as a result of the application of this policy, the Region will take the necessary steps to protect its charter rights.

Deficit-Sharing Policies

In order to have a simpler, performance-based formula for allocating net operating costs a change to the present deficit-sharing formula is required. The present formula requires Transit Department staff to monitor passengers and vehicle kilometres and to estimate passenger revenues and operating costs by applying fare and cost factors to the monitored data in each municipality. This is a time-consuming process and is not reflective of performance. As ridership is the key measure of performance, a ridership-based deficit-sharing formula will provide a "check" on the possibility of the Region setting inappropriate levels of service within each municipality and will provide the incentive for Transit Department staff to tailor its services more closely to the demand; under the present formula

EXHIBIT 2 - IMPACT OF FINANCIAL POLICIES ON REGIONAL COSTS

(All Figures are in 1982 dollars, in thousands)

		PRESENT (1)		PROPOSED (2)	
		HSR	CCL	HSR	CCL
(3)	Regional Revenue	15,900	200	16,900	200
	Regional Operating Cost	32,650	850	30,400	800
	REVENUE PERFORMANCE	**49%**	**24%**	**56%**	**25%**
(4)	Other Revenue	200	4,450	200	4,500
	Other Operating Cost	200	4,700	200	4,500
	REVENUE PERFORMANCE	**100%**	**95%**	**100%**	**100%**
	Total Operating Deficit	16,750	900	13,500	600
(5)	Less Provincial Subsidy	6,450	200	6,000	200
	Total Net Deficit	10,300	700	7,500	400

DEFICIT ALLOCATION

HAMILTON	9,685	515	7,080	280
ANCASTER	35	15	20	10
DUNDAS	200	20	120	10
STONEY CREEK	380	80	80	50
FLAMBOROUGH	-	60	-	45
GLANBROOK	-	10	-	5

(1) Present financial policies are those which were in effect December 1982.
(2) Changes shown in the proposed columns indicate the possible results of the application of new pricing and deficit-sharing policies in conjunction with a rationalization of service levels to achieve the desired revenue performance policies; the 1983 fare increase is not accounted for these figures.
(3) Includes regular route and charter revenues and costs for trips entirely within region.
(4) Includes all other revenues and costs; cross-boundary subsidies are shown as revenue.
(5) Includes only those subsidies received for transit services within the UTSA.

for a given level of service, deficits will increase if ridership drops, whereas with a ridership-based formula, deficits will decrease if ridership drops. Accordingly, the following deficit-sharing policy is recommended.

2.1.15 The Region will rescind its policy of allocating UTA transit operating deficits on the basis of equalized assessment, and will allocate UTA transit operating deficits to each UTA municipality based on the revenue passengers boarding the public transit services within each municipality.

The expected impact of these financial policies and the deficit allocations to each area municipality is given in Exhibit 2.

2.2. SERVICE SETTING POLICIES

Adoption of the aforementioned financial policies and rationalization of the services should result in lower transit operating deficits and a more equitable distribution of these deficits to the area municipalities; this is consistent with the objectives of the Official Plan and should be within each municipality's financial capability. Accordingly, the following service setting policies can be adopted without increasing the financial burden on the area municipalities:

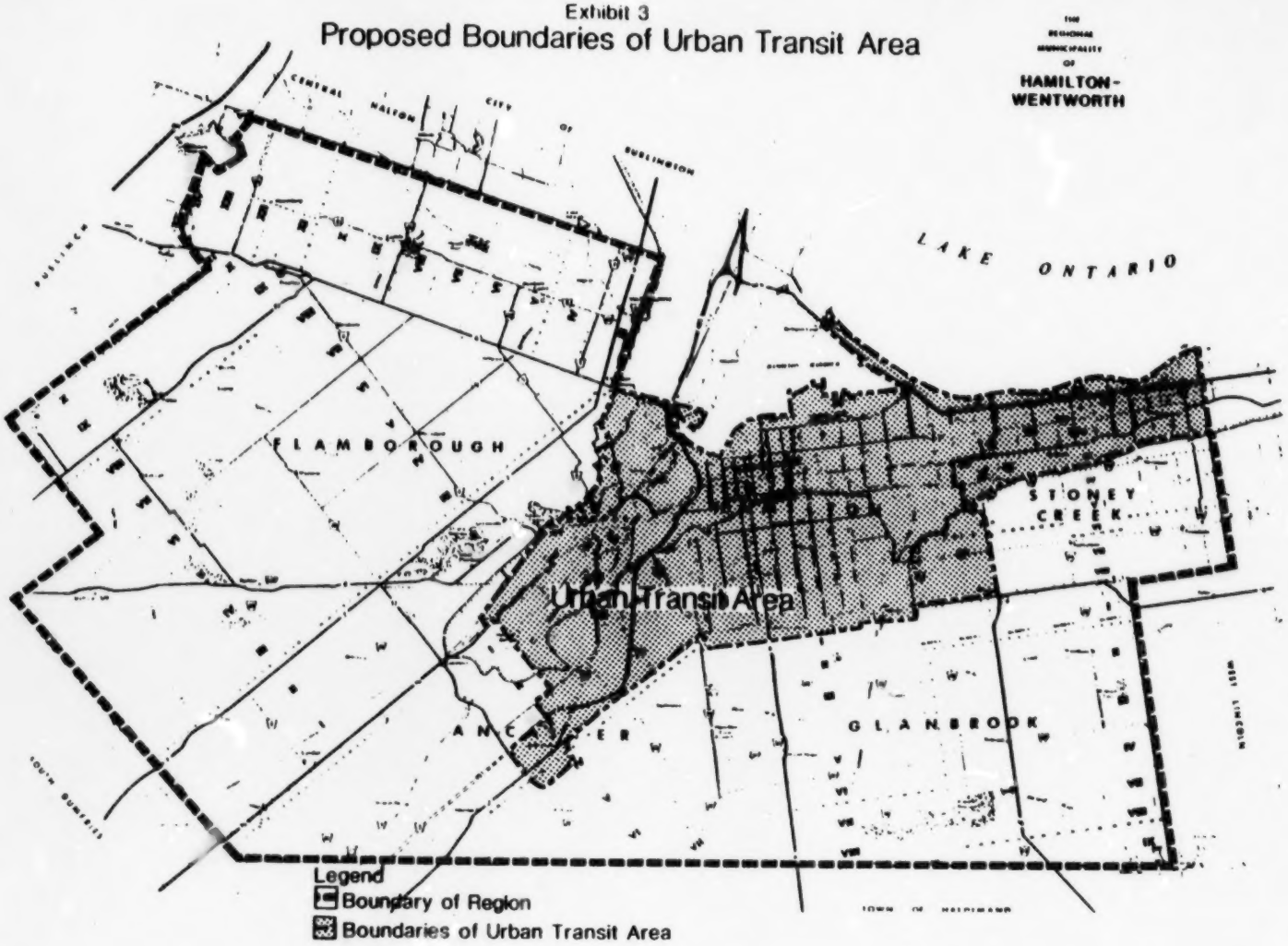
Urban Transit Area Policies

2.2.1 The Urban Transit Area will be extended to include the municipalities of Ancaster (former town), Dundas, Hamilton and Stoney Creek (urban area) and will be consistent with the boundaries of the Urban Transit Service Area as defined by the Ministry of Transportation and Communications; the proposed boundaries of the urban transit area are shown in Exhibit 3.

2.2.2 The boundaries of the UTA will be reviewed, from time to time, to ensure that they reflect the boundaries of the urban portion of the Region.

Exhibit 3

Proposed Boundaries of Urban Transit Area



HSR Service Setting Policy

2.2.3 Within the UTA, HSR service levels will be established, and net deficits will be allocated to each area municipality according to the deficit sharing formula set out in Policy 2.1.15.

CCL Service Setting Policies

2.2.4 The Region will retain ownership of CCL provided that it can:

- o obtain OHTB approval for establishing the level of service and fare rates for the operations of CCL outside the UTSA and within the regional boundaries according to policies 2.1.3, 2.1.4 and 2.1.5.
- o obtain OHTB approval for establishing the level of service and fare rates for the operations of CCL outside the regional boundaries according to policies 2.1.6 and 2.1.7.

2.2.5 Subject to the above, CCL service levels will be established by the Region, and net deficits will be included in the general regional levy to the area municipalities.

If OHTB approval cannot be obtained to realize the Region's financial policies relative to CCL services, then a request should be made to the Minister of Transportation and Communications to extend the boundaries of the urban transit service area to the boundaries of the region. If this request is denied, then a request should be made to change the Regional Act to give the Region licensing authority over public carriers operating within the regional boundaries.

3. PERFORMANCE TARGETS

The aforementioned corporate policies for regional public transit services, when adopted by Council, will create the necessary financial environment for developing an efficient and effective public transit system which is co-ordinated in all municipalities and which is consistent with the desired roles and objectives for public transit services throughout the region. The actual development of the regional public transit system requires an extensive review and evaluation of the services and operations of the HSR and CCL, the preparation of comprehensive service and operations plans, and the updating of these plans on an annual basis in the future. The service and operations plans are derived from the application of particular performance targets which in turn are derived from the roles, objectives and corporate policies established by Council.

Performance targets basically define ridership goals and service criteria for the planning and operation of the transit system. The performance goals and criteria which will be applied by transit management are set out below; these goals and criteria are preliminary and will be reviewed during the annual update of this Strategic Plan.

3.1 RIDERSHIP GOALS

The single-most important indicator of transit performance is ridership, as measured by annual revenue passengers per capita. An annual per capita urban ridership of 50 or less usually indicates that the urban transit system is serving primarily captive riders who have no other choice of mode. An annual per capita urban ridership greater than 50 usually indicates that the urban transit system is serving both captive and non-captive riders and that it has taken positive steps to improve the level and quality of service as non-captive riders are particularly sensitive to these measures; the HSR services currently have an annual per capita ridership of 78.

Most urban transit properties in Canada the size of the HSR, however, have annual per capita riderships greater than 100. At this performance level the non-captive riders usually exceed the captive riders and, thus, the transit system can be considered to be a viable alternative to the automobile (which is an objective of the Official Plan). Accordingly, the following ridership goals will be applied by transit management.

Urban Ridership Goal

3.1.1 Transit ridership within the urban portions of the region should be progressively increased from the present level of 78 annual revenue passengers per capita to a level of at least 90 annual revenue passengers per capita during this five year period, and 100 annual revenue passengers per capita during the next five year period.

Rural Ridership Goal

3.1.2 Transit ridership within the rural portion of the region should be consistent with the size of the market which has no access to automobiles; until the size of the market is known, a ridership goal of between 5 and 10 annual revenue passengers per capita will be used.

3.2 URBAN SERVICE CRITERIA

As a general rule, urban transit service levels on the regular routes of HSR are determined on the basis of demand according to the financial policies of Council. There are instances, however, where urban transit service levels are warranted for other reasons depending on the social and development policies of the Region and its area municipalities. While these "policy" services cannot be anticipated in advance, the following performance criteria will be used as a guide to the planning and scheduling of urban transit services.

Revenue Performance Criteria

3.2.1 Individual routes within the UTA are permitted to have a revenue performance of 35% or more of route operating costs provided that the overall financial policy of 56% (growing to 65% by 1990) is maintained for the urban transit system.

3.2.2 For new routes or route extensions, both this criteria and the loading criteria will not apply for a period of six months after implementation.

Headway Criteria

3.2.3 During the weekday peak and base periods and during the daytime on Saturdays, headways on regular routes will be a maximum of 30 minutes; headways less than 30 minutes will be determined on the basis of the loading criteria below.

3.2.4 During the evenings and Sundays, headways on regular routes will be a maximum of 60 minutes; headways less than 60 minutes will be determined on the basis of the loading criteria below.

3.2.5 During all time periods, the number of trips provided on limited routes by buses will be determined on the basis of the loading criteria below; limited routes are those routes on which buses operate a limited number of trips during a specified period to relieve overloading and/or to serve a single-purpose demand such as workers to a particular industry.

Loading Criteria

3.2.6 During all periods, the maximum route loading should not exceed 150% of the designed seating capacity per bus per hour on average at the maximum load point in the peak direction of travel; when the loading reaches this point, headways will be reduced, or extra buses or limited routes will be inserted to supplement the service.

3.2.7 During the weekday peak and base periods and during the daytime on Saturdays, minimum route loadings should not be less than an average of 20 passengers per bus per hour at the maximum load point in the peak direction of travel; when loading is less than this figure, a 30 minute headway criteria will be applied.

3.2.8 During the evenings and Sundays, minimum route loadings should not be less than an average of 10 passengers per bus per hour at the maximum load point in the peak direction of travel; when the loading is less than this figure, the route should be terminated or the headways should be increased to 60 minutes depending on the route revenue performance criteria in 3.2.1.

Schedule Adherence Criteria

3.2.9 During all periods and at all time-points and route terminals, no bus should leave early, and 90% or more buses should be "on-time" within three minutes of schedule under normal operating conditions.

3.2.10 At the terminal point, buses should be scheduled such that layover times do not exceed three minutes, subject to the route structure and running times.

3.2.11 At transfer points outside the downtown terminal, buses should not wait unless the connecting bus is in sight, and in no case should buses wait longer than two minutes.

3.3 RURAL SERVICE CRITERIA

Rural public transit services are normally not provided by regional municipalities because of the high costs and absence of provincial subsidies. In consideration that CCL provides rural public transit service

on the regional portions of its inter-urban routes, it will be advisible to apply certain performance criteria to these routes. The following criteria will be used as guide to the planning and scheduling of these services:

Revenue Performance Criteria

3.3.1 Individual route sections of CCL within the region are permitted to have a revenue performance of 25% or more of route section operating costs provided that the financial policies, as set out in Chapter 2, are adhered to.

3.3.2 CCL routes which cannot meet this revenue performance criteria on the route sections within the region will be either restructured or terminated depending on the profitability of the route sections outside the region.

Headway Criteria

3.3.3 During all periods, the headways on regional route sections will be determined on the basis of the revenue performance criteria above.

3.3.4 Where regional route sections are justified on the above basis, headways will be such that users will have access to at least one transit service during the peak and base periods on weekdays and that a convenient transfer can be made to and from the transit services within the urban transit area.

3.3.5 During all time periods, the maximum route loading should not exceed 100% of the seated capacity per bus per hour on average at the maximum load point in the peak direction of travel; when the loading reaches this point, extra buses or limited routes will be inserted to supplement the service.

3.4 PLANNING GUIDELINES

While the above service criteria will be the over-riding consideration in the planning of urban and rural transit services, other important considerations will be taken into account including:

- o accessibility to transit services (i.e. passenger walking and waiting time);
- o bus stop utilization and spacing;
- o the timing and duration of transit services:
- o frequency of transferring;
- o operating speeds;
- o residential area user demand levels and trip lengths;
- o commercial and industrial area user demand levels;
- o boarding and loading distributions.

Targets for the above planning criteria will be developed as a part of the Service Plan for the urban and rural transit services. Once these targets have been evaluated in the context of the Region's financial policies, warrants for new services and service extensions will be established and included in future updates of this Strategic Plan.

4 - CORPORATE STRATEGIES

The application of the aforementioned performance targets will aid in evaluating the effectiveness and efficiency of transit services and operations as they relate to the identified corporate policies of the Region. On the basis of this evaluation, improvements are formulated for 1-5 year action. While the improvements are matters which will be considered during the development of the management, service and operations plans, several key improvement areas have been investigated, at the strategic level, because of their political sensitivity. These include the organization of the HSR and CCL, the application of rapid transit within the region, the continuance of the trolley coach services, the use of the Wentworth garage and the Mountain Regional Transit Centre, and the privatization of specific functions within the HSR and CCL.

As a result of these investigations, transit management intends to apply the following corporate strategies so as to realize the roles, objectives, and policies which have been delineated in this Strategic Plan. The goal of these strategies is to achieve the designated performance targets within the next five year period.

4.1 SERVICE STRATEGIES

Transit management and its consultants have determined that an all-bus system is the most appropriate form of public transit for the Region, over the next five years, considering the corridor demands and the economic constraints being imposed on all levels of government, and the absence of special subsidies from the Province for ICTS and other forms of rapid transit. Accordingly, transit management intends to apply the following service strategies over the next five year period.

Bus System Strategies

4.1.1 Buses, in appropriate operating configurations, will perform the transit passenger carrying function in the region during the 1983-87 period. Buses will include diesel, diesel articulated, and trolley coaches; the issue as to whether or not the trolley coaches should be expanded will be covered in the Service Plan.

4.1.2 The current operating mode of buses will be expanded to assist in meeting the ridership goals as established in 3.1; including the application of express services and other priority measures warranted by the transit demand and traffic conditions.

Rapid Transit Strategies

4.1.3 The corridors exhibiting relatively high transit volumes and potential for generating additional transit ridership should receive high-order bus transit services as set out in 4.1.2. As transit ridership evolves in these corridors and approaches the practical capacity limit of buses operating in traffic, rapid transit such as bus transitways, will be considered to serve that ridership and to assist in implementing official plan policies relative to corridor development.

4.1.4 The bus system will provide appropriate connection to the GO-ALRT extension into Hamilton. In planning the ALRT extension and terminal location, consideration will be given to convenient transit service access, keeping in mind the overall system route structure which focuses on the downtown, and the corporate transit policies of Regional Council.

Peripheral Transit Strategies

4.1.5 The Region should be prepared to acquire land, as necessary, to develop peripheral system improvements such as park-and-ride facilities, and weather-protected passenger facilities in areas of high passenger transfer.

4.2 OPERATING STRATEGIES

The role of the two garages, the integrated operation of HSR/CCL, and the issue of privatization have been investigated by transit management and its consultants. As a result, it has been concluded that both garages will be required over the next five years, and that some HSR/CCL service and operating functions can be integrated and privatized. Accordingly, transit management intends to apply the following operating strategies over the next five year period.

Garage Strategies

4.2.1 The Wentworth garage will house the existing trolley coach fleet and a portion of the diesel bus fleet; primarily the buses operating below the Mountain. It will provide maintenance and servicing for the trolley coach fleet, and servicing and light maintenance for the diesel buses assigned to it. In addition, the garage will contain the administrative offices of the Transit Department.

4.2.2 The Mountain Regional Transit Centre will house the majority of the diesel bus fleet including the HSR buses operating on the Mountain and all or a portion of the CCL buses depending on operating costs. This garage will offer servicing and light maintenance for the fleet assigned to it, and major repairs for the total fleet.

HSR/CCL Integration Strategies

4.2.3 The selling of CCL is not recommended until the implications of the CCL service policy outlined in 2.2.3 above, is fully tested. For a test period of two years, CCL should be operated as a separate profit-centre from HSR but integrated with HSR such that its inter-urban services, within the UTA, can become the express component of HSR routes thereby supporting strategy 4.1.2 above.

4.2.4 During the test period, HSR services will not be extended beyond the boundaries of the UTA.

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Privatization Strategies

4.2.5 Opportunities exist for reducing operating costs and deficits by sub-contracting specific tasks, particularly when there are backlogs which cannot be cleared during normal shifts. Transit management expects to be given the flexibility to sub-contract tasks, as appropriate

4.2.6 As a general rule, the public transit system will not deviate from its fixed routes, except in emergency situations. Where route deviations or parallel services are requested by special interest groups, either a route change will be made if such changes conform to the aforementioned service and financial policies, or the deviation or parallel service will be sub-contracted to a private operator provided that the revenue performance of the public system is not affected and that operating costs and charges for the private services are recovered from fares and/or the supporting agencies. Transit management expects to be given the flexibility to sub-contract services, as appropriate.

4.2.7 If after two years, the inter-urban services of CCL continue to be a financial burden on the Region's taxpayers, then consideration should be given to sub-contracting the management of CCL to a private company. Such a strategy would apply for a subsequent period of three years after which a decision would be made to continue the arrangement, or to desolve CCL and sell its licences and assets to private industry.

The goal of the above privatization strategies is to utilize private industry, as much as possible in the provision of regional services while maintaining full regional control of the management and operation of these services. As stated previously, if the recommended corporate policies are approved by Council and if management are able to successfully implement the service and operating strategies outlined above, the financial performance of the transit services will improve and there will be no significant benefits in turning over the full operation of the HSR or CCL to private industry.

4.3 MANAGEMENT STRATEGIES

There is considerable enthusiasm on the part of transit staff to retain CCL and to turn it into a profitable operation which can benefit the Region and its taxpayers, and which can aid in the realization of the roles, objectives, and policies which have been established for regional transit services. Although it might be argued that transit staff should concentrate its efforts on improving the urban transit system, the retention and upgrading of CCL services may enable the Region to provide a rural transit system more cost-effectively than any other approach.

The extension of the UTA, the increased service setting role of the Region, the goal of improving the ridership and revenue performance of the public transit system by up to 30% over a five to ten year period, and the changes which will result from the application of the above service and operating strategies, all suggest an expanded role for the staff of the Transit Department. While the roles and relationships of transit staff will be investigated in the Management Plan, the following management strategies are expected to be applied over the next five year period.

Accountability for Urban Transit Services

4.3.1 The Regional Transit Department, or an equivalent municipal entity, will be accountable for the urban transit services which will be managed as a separate profit-centre using performance-based reporting systems which are municipal and route-specific. A line manager, within the Transit Department, will be designated as the senior manager for the organization reporting to the public transit manager or equivalent.

Accountability for CCL Services

4.3.2 The Transit Department will be accountable for the CCL services which will be managed as a separate profit-centre using performance-based reporting

systems which are regional, non-regional, and route/service-specific. The company will have both a senior manager and a marketing manager, who are experienced in inter-urban, charters and tour operations, and who can act independently of the HSR according to the policies established for CCL by Council. The senior manager will report to the public transit manager or equivalent.

Transit Department Responsibilities

4.3.3 To realize the above accountability, the Regional Transit Department, or an equivalent municipal entity, will have the direct responsibility for administering all key transit functions including the setting of service levels, the planning of services, the financial control of the services, the operation and maintenance of the services, the marketing of the services, and the day-to-day management of personnel and labour relations activities including manpower and succession planning.

4.3.4 To aid in the setting of service levels and the planning of transit services the Transit Department will be assisted by joint regional/municipal planning committees in the urban and rural portions of the Region.

4.3.5 To aid in the development and maintenance of a timely data base for the planning of transit services, analytical and traffic checking staff from the Planning and Traffic Departments of the Region will be used to supplement Transit Department staff; such arrangments will be in accordance with work schedules to be agreed upon by the management of the three departments.

Regional Council have accepted in principle the creation of a Transportation Department which would include the regional transit function. The strategies outlined above are consistent with this objective as they would be applied by the management of either the Transit Department or the Transportation Department, should it be created during the timeframe of this Strategic Plan.

EXHIBIT 4

FIVE YEAR BUDGET FORECASTS[1]

(in 1982 constant dollars, all figures in thousands)

	1982 BUDGET		PROPOSED NEXT FIVE YEARS										PROJECTED 1992	
			1983		1984		1985		1986		1987			
	HSR	CCL	HSR	CCL	HSR	CCL	HSR	CCL	HSR	CCL	HSR	CCL	HSR	CCL
Regional Population Served	379	35	379	35	379	35	382	35	386	35	390	35	400	35
Regional Passengers	29,600	200	28,800	200	29,600	200	31,300	200	33,200	200	35,100	200	40,000	350
Passengers Per Capita	78	6	78	6	78	6	82	6	86	6	90	6	100	10
Regional Revenue	15,900	200	15,500	200	16,900	200	17,800	200	19,400	200	21,300	200	26,000	300
Revenue Per Passenger	0,54	1,00	0,54	1,00	0,57	1,00	0,57	1,00	0,58	1,00	0,61	1,00	0,65	1,15
Regional Operating Cost	32,650	850	30,900	800	30,400	800	31,400	800	33,100	800	35,000	800	40,000	900
Regional Cost Recovery	48,7%	23,5%	50,2%	25,0%	56,0%	25,0%	57,0%	25,0%	58,6%	25,0%	60,0%	25,0%	65,0%	35,0%
Other Revenue	200	4,450	200	4,500	200	4,500	400	4,700	400	4,900	400	5,100	400	5,100
Other Operating Cost	200	4,700	200	4,600	200	4,500	200	4,500	200	4,500	200	4,500	200	4,500
Other Cost Recovery	100,0%	94,7%	100,0%	97,8%	100,0%	100,0%	200,0%	104,4%	200,0%	108,9%	200,0%	113,3%	200,0%	113,3%
Total Operating Deficit	16,750	900	15,600	700	13,500	600	13,500	400	13,600	200	13,500	-	13,800	-
Deficit Per Capita	44,20	25,70	41,20	20,00	35,60	17,10	35,30	11,40	35,20	5,70	34,60	-	34,50	-
Less Provincial Subsidy	6,450	200	6,100	200	6,000	200	6,100	200	6,400	200	6,600	200	6,900	200
% Prov. Share	38,5%	22,2%	39,1%	28,6%	44,4%	33,3%	45,2%	50,0%	47,0%	100,0%	48,9%	-	50,0%	-
Net Operating Deficit	10,300	700	9,500	500	7,500	400	7,300	200	7,200	-	6,900	(200)	6,900	(200)
Total Fleet	298	53	263[2]	43	273	45	285	45	302	45	319	45	384	55
Passengers Per Vehicle	100	n/a	110	n/a	108	n/a	110	n/a	110	n/a	110	n/a	110	n/a
Vehicle Acquisitions														
Growth	-	-	-	-	-	-	12	-	17	-	17	-	9	1
Replacements	-	-	-	4	15	4	15	10	15	10	16	10	17	2
Capital for Vehicles	-	-	-	lease	2,100	lease	3,800	1,800	4,500	1,800	4,600	1,800	3,600	500
Less Provincial Subsidy	-	-	-	-	1,600	-	2,800	-	3,400	-	3,500	-	2,700	-
Net Capital Requirement	-	-	-	-	500	-	1,100	1,800	1,100	1,800	1,100	1,800	900	500
Annualized Capital Cost	-	-	-	-	100	-	200	300	400	500	500	800	1,300	1,000
NET CAPITAL AND OPERATING COSTS	10,300	700	9,500	500	7,600	400	7,500	500	7,500	500	7,400	600	8,200	800
	$11,000		$10,000		$8,000		$8,000		$8,000		$8,000		$9,000	

NOTES:

(1) These forecasts are preliminary estimates, and are subject to change following the adoption of service, operations and physical plans for the transit systems.

(2) In 1983 the active fleet is 35 vehicles less than 1982 including 31 buses removed from service, 10 buses mothballed because of a decrease in ridership resulting from the strike in 1982, and 6 articulated buses added to the service. In 1984, it is estimated that ridership will be back at pre-strike levels and that the 10 mothballed buses will be put back into service at that time.

5 - FORECAST OF IMPLICATIONS

The Strategic Plan, as outlined above, is expected to have two major implications with respect to the provision of public transit services throughout the region over the next five years.

Firstly, the Strategic Plan will create the framework for developing an efficient and effective all-bus transit system operating within the urban portions of the Region, consisting of high-speed links to and between regional and sub-regional centres, which should achieve a ridership of close to 100 revenue passengers per capita at a cost recovery of 60% or better, and where all key operating and financial control functions are the direct responsibility of the public transit manager including the determination of service requirements and the formulation of urban service levels and financial policies, with assistance from joint regional/urban municipal transit planning committees.

Secondly, the Strategic Plan will create the framework for developing an efficient and effective rural transit system, using CCL as a separate profit-centre, which links the major rural corridors to the regional and sub-regional centres, which has a cost recovery of at least 100% by operating profitable inter-regional and charter/sightseeing services, and where all key operating and financial control functions are the direct responsibility of the public transit manager including the determination of service requirements and the formulation of extra-regional service levels and financial policies, with assistance from joint regional/rural municipal transit planning committees.

The possible impact of the Strategic Plan on five year ridership, service levels, resource requirements, and capital and operating budgets is discussed below and is summarized in Exhibit 4.

5.1 RIDERSHIP AND SERVICE LEVELS

For 1983 and 1984, the goal of the Strategic Plan will be to maintain present ridership levels while rationalizing the fare structures and service levels in order to realize the revenue performance policy of 56% on the urban transit services of the HSR, and at least 75% on the inter-regional transit services of CCL; during this period, it is expected that a fairer value will be applied to tickets and monthly passes, and that revenue mileage will be reduced during low demand periods. These changes should result in a revenue increase of about 6% and an operating cost reduction of about 7% based on 1982 constant doll rs; this should cause a reduction of about $3,000,000 in net operating deficits over the two year period.

For 1985-87, the goal of the Strategic Plan will be to improve ridership levels by progressively increasing service levels throughout the urban transit area such that the revenue performance policy of 60% is realized by 1987. During this period, fares will need to be increased by approximately 1.5% per annum to account for the higher costs of the improved services; this increase would be in addition to any inflationary increases during the period. The improvements should result in a marginal reduction in the net operating deficit from that expected in 1984, based on constant 1982 dollars; this reduction, however, may be offset by increases in annual capital costs resulting from the need to purchase buses for the HSR & CCL.

Because of the uncertainty associated with the current unemployment and economic situation, the realization of the ridership goal of 100 annual revenue passengers per annum may not be possible until after 1987; the impact of such a goal has been projected to 1992 as a guide to the future planning of transit services and the updating of this Strategic Plan.

5.2 REVENUE PERFORMANCE

During the five year period of the Plan, the revenue performance of the regional transit services is expected to be consistent with the established revenue performance policies for urban and rural transit services.

During the five year period of the Plan, the revenue performance of other services are expected to be progressively improved such that a profit is earned from these services as a means to offset regional operating deficits. Other services include the charter/sightseeing and tour services of CCL, the cross-boundary regular route services to Burlington of the HSR and CCL, the regular routes of CCL outside of the Region, and advertising on HSR and CCL buses and passenger shelters; in Exhibit 4 the cross-boundary subsidies received from the Province for the HSR and CCL services to Burlington are included as other revenue. The main opportunity for an increase of other revenue on the HSR services will likely result from a rationalizing of the advertising function as this function appears to be under-utilized relative to current ridership levels. The main opportunity for an increase in other revenue on the CCL services will likely result from more aggressive marketing of charter/sightseeing and tour services.

5.3 VEHICLE REQUIREMENTS

Currently, an equivalent of 35 buses have been removed from HSR service to coincide with the drop in ridership resulting from the strike in 1982 and the service reductions which are being made by staff. By 1984, it is expected that the ridership will be back to pre-strike levels and that 10 additional vehicles will be required for growth; these vehicles will be drawn from the mothballed fleet which has been refurbished.

Between 1985 and 1987, it is expected that a total of 46 additional HSR buses will need to be purchased to satisfy the higher expected ridership levels within the UTA. In addition, starting in 1984 for the HSR

and 1985 for CCL, purchases will be required to replace buses which have reached the end of their useful life; a total of 61 HSR buses and 30 CCL buses are in this category. The replacement of the CCL fleet has been delayed until 1985 because of the need to turn CCL into a more profitable operation before deciding on the disposition or improvement of its assets.

5.4 CAPITAL AND OPERATING BUDGETS

In 1982, the net cost of regional transit services was approximately $11,000,000. The goal of the Strategic Plan is to reduce this net cost by $3,000,000 in terms of 1982 constant dollars. If the goal is achieved, it should be possible to maintain present deficit levels for a period of two to three years under the current rates of inflation. Thus, taking into account inflation, the Strategic Plan forecasts no increase in net regional transit costs until after 1985.

For purposes of this calculation, net regional transit costs include both HSR/CCL net operating costs and annualized capital costs on the unsubsidized portions of purchased vehicles. In Exhibit 4, the annualized capital cost for each year is the accumulative total of the vehicles purchased during the five year period of the Strategic Plan.

The five year budget forecasts are a broad indication of the impact of the proposed Strategic Plan policies and strategies on the regional transit systems. While the forecasts are adequate for strategic level decision-making, more detailed estimates are required for the management, planning, and operations of the services; these will be provided in the Service, Operations, and Physical plans for the transit systems, which are currently under development. Therefore, this Strategic Plan will be subject to annual review and refinement to reflect the changes resulting from the aforementioned plans.

APPENDIX

A. LIST OF INFORMATION SOURCES AND BACKGROUND REPORTS

INFORMATION SOURCES

1. Regional Municipality of Hamilton-Wentworth Transit legislation.
2. Final Report of the joint Metro/TTC Transit Policy Committee, December, 1979.
3. Hamilton-Wentworth Regional Official Plan - Planning Department, June 1980.
4. Comparison of Alternative Modes Report - Marshall, Macklin and Monaghan, November 1981.
5. Confidential report on future sale of CCL, December 1981.
6. Revised Transit Ridership Forecasts - Planning Department, December 1981.
7. OC Transpo Five Year Strategic Plan, January 1982.
8. Transportation Energy Management Report - IBI Group, April 1982.
9. Hamilton-Wentworth Focus Group of April 1982.
10. Review of Selected Canadian Transit Organizations - IBI Group, July 1982.
11. CUTA and MTC transit statistics for comparable properties (1978-81).
12. Demographic data from the Planning Department (1971-2001).
13. HSR and CCL financial and operating statements (1980-82).

BACKGROUND REPORTS

1. Study Design of Management, Operational and Physical Plant Review - IBI Group, August 1982.

2. Initial Performance Evaluation - IBI Group, October 1982.

3. Performance Criteria for Transit Planning and Management - IBI Group, December 1982.

4. Position Paper: Financial and Service Strategies - IBI Group, December 1982.

5. Position Paper: Technology Choices and Implications - M.M. Ross & Assoc., December 1982.

6. Position Paper: Towards an Organization Strategy - Peter Barnard Assoc., December 1982.

7. Position Paper: Privatization Strategies - IBI Group, December 1982.

8. Position Paper: Future Role of Trolley Coaches - IBI Group, January 1983.

B. GLOSSARY OF TERMS

In order to understand the terms used in this Strategic Plan, a glossary of terms is given below.

Articulated Vehicle:	A bus or trolley coach comprised of two body sections in tandem which are joined by a walk-through hinge, resulting in a vehicle up to 50% larger than the regular transit bus or trolley coach.
Base Service:	The service provided during the mid-day period, between the morning and afternoon peak period, usually 9 a.m. to 3 p.m., Monday to Friday. Saturday service is also referred to as base service.
Cash Fare:	The full fare paid by one person for one transit ride; excludes transfer charges and zone charges.
Contracted Transit System:	A transit system which is operated and/or managed by a private firm under contract to a government agency who usually owns the transit vehicles and equipment.
Express Service:	A bus service which operates with the flow of traffic with a minimum of stops.
Headway:	Scheduled time between vehicles on any route.
Inter-Urban Transit Services:	Transit services which operate from an urban transit service area to communities outside the area.

Layover Time:	(i) The time a vehicle has between the completion of one trip and the beginning of another. (ii) Elapsed time between arrival at and departure from the terminal of a route. (iii) The time spent at the end of a trip, i.e. recovery time, rest stop for driver, etc.
Limited Service:	Vehicles operating along a designated transit route to supplement the regularly scheduled service in the event of overloading; usually operates for less than two hours during a particular time period and may be scheduled or non-scheduled, often referred to as "extra" services.
Light Rail Transit (LRT) System:	Steel-wheeled streetcar-type transit services operating on a railway constructed on city streets, semi-private or private right-of-way. When there is automated operation of these vehicles, the system is known as ALRT.
Operating Cost:	The total cost to operate a transit system excluding capital costs and depreciation.
Park-and-Ride Facility:	A transit terminal where passengers can park their automobiles and ride a transit vehicle to their destination.
Pass Fares:	The fare paid by passengers for multi-ride passes to the transit system.

Passenger Revenue:	The revenue collected from passengers in cash fares, pass fares, and contract fares.
Priority Measures:	Measures such as exclusive lanes, special turns and traffic control configurations to reduce the effect of traffic delays on bus operations.
Regularly Scheduled Service:	Vehicles operating on a fixed schedule along a designated transit route over an extended period of time (usually two hours or more) for five days or more per week. Most transit services are in this category.
Revenue Passengers:	A transit trip taken by initial-board (first-ride) transit patrons; excludes all transfer rides and all non-revenue rides.
Route:	The assigned geographical path to be followed by a vehicle from start to finish of a given trip.
Route Section:	The distance between two or more bus stops on a transit route.
Traffic Checker:	One who counts passengers or checks schedule adherence.
Transitways:	Special-purpose roadways, usually with stations, and used exclusively by buses to provide a rapid transit type of service.
Urban Transit Area:	The area within which urban transit services are provided exclusively by the Region.

Urban Transit Service Area: The area within which the Ontario Ministry of Transportation and Communications will subsidize transit operating costs.

POOR

QUALITY

ORIGINAL